

Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Matt Cano

SUBJECT: SEE BELOW

DATE: May 28, 2019

Approved

Date

6-6-19

COUNCIL DISTRICT: 8

**SUBJECT: AGREEMENT WITH SANTA CLARA VALLEY WATER DISTRICT FOR
THE THOMPSON CREEK OUTFALL 258 REPAIR PROJECT**

RECOMMENDATION

Approval of a Cost-Sharing Agreement with the Santa Clara Valley Water District to compensate Santa Clara Valley Water District for design and construction associated with the repair of a City outfall and an eroded bank along Thompson Creek in an amount not-to-exceed \$410,000.

OUTCOME

Approval of this cost-sharing agreement between the City of San José (City) and Santa Clara Valley Water District (Valley Water) will allow City to compensate Valley Water for services related to the design and construction associated with the repair of a City outfall and an eroded bank along Thompson Creek.

BACKGROUND

Thompson Creek receives surface water from a watershed on the southeast side of the City of San José and is a major tributary to Coyote Creek. One of the City's 48-inch storm outfalls draining to Thompson Creek near Timberline Court is rusting with its bottom corroded out. The surrounding creek bank also was found to be eroded from behind and threatening the integrity of the sacked concrete slope protection and the outfall. Both the creek bank and the 48-inch outfall must be repaired to reduce further bank erosion and restore the function of the storm drain system.

On November 7, 2018, the City and Valley Water began coordination efforts to address the issues related to the storm drain outfall and bank erosion along Thompson Creek at Timberline Court. The outfall is located within the City's existing storm drain easement in Valley Water's land.

ANALYSIS

During coordination efforts with Valley Water, it became clear that obtaining the environmental clearances and regulatory permits for the outfall repair would be an extremely lengthy process and costly for the City. Valley Water, on the other hand, has all the permits and expertise in engineering and stream stewardship to deliver this repair project in a more effective and expeditious manner. As a result of this coordination, Valley Water agreed to include the project in its on-going Stream Maintenance Program (SMP), which includes authorization and permits from all the relevant regulatory agencies.

Approval of the cooperative agreement between the City of San José and Valley Water will enable Valley Water to provide design and construction services associated with repair of a City outfall and eroded creek bank along Thompson Creek at Timberline Court.

The total project cost for the Thompson Creek outfall replacement and bank erosion repair is \$740,000. Valley Water agrees to fund 45 percent of the total project cost, and the City will fund the remaining 55 percent or \$410,000. Valley Water's funding portion will be for the repair of the bank erosion, which was completed in summer 2018, and for the survey and preliminary design of the outfall structure replacement. The City's funding portion will be for the final design and construction of the outfall structure repair within the City's easement, including necessary CEQA and regulatory agency permits.

EVALUATION AND FOLLOW-UP

No additional follow-up actions with the Council are expected at this time.

POLICY ALTERNATIVES

Alternative #1: City Staff to design, bid and award, and manage construction of the project.

Pros: The City would be able to have all responsibility for project related to its own infrastructure.

Cons: City staff would have to obtain extremely costly environmental clearances and regulatory permits for the project. Obtaining the clearances and permits would create a minimum one year delay.

Reason for not recommending: In addition to significantly increased project costs, delaying the project increases the risk of further damage to the outfall structure.

PUBLIC OUTREACH

This memorandum will be posted on the City's website for the June 18, 2019 Council Agenda.

COORDINATION

This project and memorandum have been coordinated with the Planning, Building and Code Enforcement Department, the City Attorney's Office and the City Manager's Budget Office.

COMMISSION RECOMMENDATION/INPUT

No Commission action was taken related to this item.

FISCAL/POLICY ALIGNMENT

This project aligns with the Environmental and Utility Services CSA for Storm Sewer System CIP, which is to reduce the risk of drainage-related surface damage and manage the quality of storm water run-off.

COST SUMMARY/IMPLICATIONS

1. AMOUNT OF RECOMMENDATION/COST OF PROJECT:

Project Delivery	\$10,000
Agreement Cost	\$410,000
Total Project Costs	\$420,000

2. COST ELEMENTS OF AGREEMENT/CONTRACT:

Engineering final design and construction	\$50,000
Remaining field construction work	\$330,000
CEQA and permits	\$30,000
TOTAL AGREEMENT/CONTRACT AMOUNT	\$410,000

3. SOURCE OF FUNDING: 469 – Storm Sewer Capital Fund

4. OPERATING COSTS: The proposed operating and maintenance costs of this project have been reviewed and will have no significant impact on the General Fund operating budget.

BUDGET REFERENCE

The table below identifies the fund and appropriations to fund the contract recommended as part of this memo and remaining project costs, including project delivery, construction, and contingency costs.

Fund #	Appn #	Appn. Name	Total Appn	Amt. for Contract	2018-2019 Adopted Capital Budget Page	Last Budget Action (Date, Ord. No.)
469	4245	Outfall Rehabilitation Capital	\$1,120,000	\$410,000	V-103	10/16/18 Ord. No. 30172

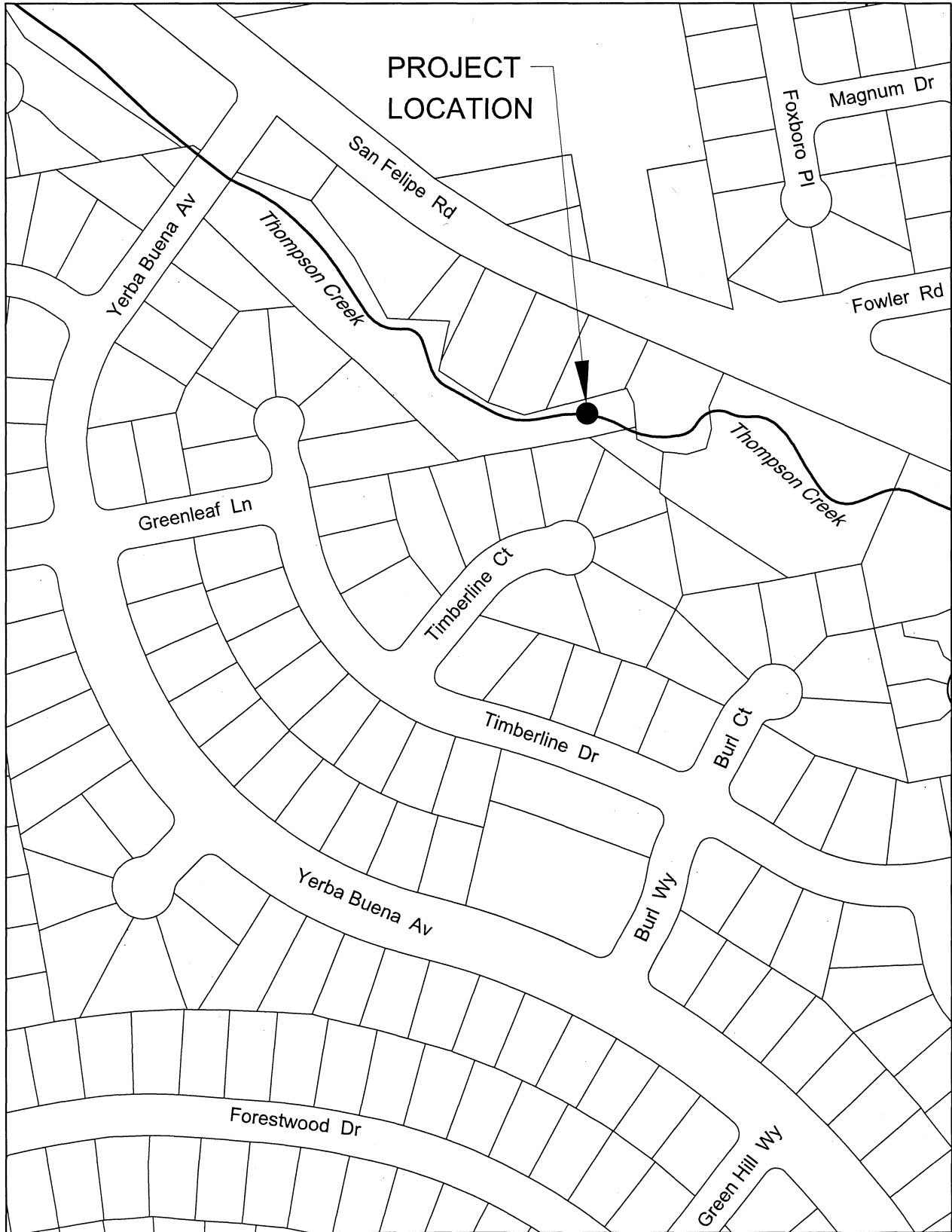
CEQA

“Final Environmental Impact Report for the Multi-Year Stream Maintenance Program” dated August 2001. Resolution No. 2001-56 adopted August 21, 2001 by the Santa Clara Valley Water District Board of Directors.

/s/
MATT CANO
Director of Public Works

Attachment: Location Map

For questions, please contact Michael O’Connell, Deputy Director of Public Works, at (408) 535-8300.



● PROJECT LOCATION

8955 - THOMPSON CREEK OUTFALL 258
REPAIR PROJECT

LOCATION MAP
NOT TO SCALE